

REPORT FOR THE DIRECTOR OF DEVELOPMENT

QUALITY NEIGHBORHOODS WORKING GROUP



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**City of Columbus
Michael B. Coleman, Mayor**

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QUALITY NEIGHBORHOODS WORKING GROUP REPORT

January 2003

Summary

In 2002, Mayor Michael B. Coleman directed Development Director Mark Barbash to commission a working group to address the issue of neighborhood blight focusing on vacant properties. The working group consisted of various sections of City government including the Department of Development, Columbus Division of Police, the City Attorney's Office and Public Safety. Community members from the South Side and the Hilltop, as well as members from organizations such as BREAD (Building Responsibility Equality And Dignity) and the Columbus Apartment Association are also members of the group.

The group met several times over the summer of 2002 with a goal to prepare recommendations for the Administration to better address the blighting influences related to housing in Columbus neighborhoods. These recommendations could include:

- additions/revisions to the Columbus City Code;
- additions/revisions to State and County laws and procedure/policy;
- revisions to City of Columbus Code Enforcement/ Housing/ Police policy and procedure; and
- creation of inter-agency boards, working groups, etc.

This diverse working group has concentrated primarily on the condition of housing stock and the recommendations assume that police, fire, refuse and infrastructure will be adequate and responsive to community needs. The group did reach consensus on several recommendations although some were not agreed upon unanimously.

Problem properties include properties that are vacant, unsafe or in violation of City Code. The owner is often not easily located; and when located, often lacks resources to resolve the problem. In some cases, properties are neglected for long periods of time and become unstable, unsafe and in such a state of disrepair that demolition is the only viable option. The community often opposes demolition; demolition should be used as a last resort, but is needed when the structure is no longer safe and/or economically viable.

The best solution for neglected, vacant properties is to develop strategies that encourage and expedite their transfer to new owners who have the desire and resources to bring these properties back into constructive use.

To remove blight, the current owner needs incentives to prevent the property from being further neglected and from becoming an attractive nuisance. Incentives need to be developed to expedite transfer and to allow the new owner to quickly move forward with improving the property.

Alternative options to eliminate blight:

City Code Revisions:

- I. Require registration for a fee of all owners of all rental-housing units except one- and two-family, owner-occupied, residential buildings.

This type of registration program could have other requirements associated with it, including mandatory inspections, code compliance requirements and occupancy approvals.

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| <p>a. Advantages</p> <ul style="list-style-type: none">i. Provides single place for contact/service information.ii. Could provide future regular rental property inspections.iii. Could provide contact mechanism to gain compliance without inspection.iv. Failure to register is additional violation.v. Inspection requirements, and inspections would provide safer, code compliant buildings. <p>b. Disadvantages</p> <ul style="list-style-type: none">i. Would require ALL owners to comply with additional regulations established to address a minority of 'problem' owners.ii. Non-compliant owners would not comply with this requirement.iii. Would not address many issues faced by city. (abandoned/foreclosed previously owner-occupied residential structures)iv. City must provide resources and manpower to initiate and maintain database (1½ to 2 clerical persons and additional code enforcement officer field and reporting time). <p>II. Require owners to register all vacant buildings with the city. This requirement could assist in identifying vacant abandoned properties from vacant buildings having an identifiable owner that may rehabilitate the building. The City could develop programs aimed at causing some action on the abandoned properties.</p> <p>a. Advantages</p> <ul style="list-style-type: none">i. Owner easier to locate if property is in violation.ii. Non-registration itself is a violation.iii. Suggested inter-agency task force would seek to identify owners failing to register.iv. Fee may be associated with registration to recover costs. | <p>b. Disadvantages</p> <ul style="list-style-type: none">i. Requires constant city database maintenance/updating.ii. Non-complaint owners will not comply with this requirement either.iii. City must provide resources and manpower to initiate and maintain database (approximately one clerical person and additional code enforcement officer time) <p>III. Strengthen the requirements for securing vacant properties. Although the secure codes were revised in 1996, several communities have indicated they are still not happy with the condition of vacant structures even when they are complied with current code. These codes could be re-evaluated with an emphasis on neighborhood impact.</p> <p>a. Advantages</p> <ul style="list-style-type: none">i. Vacant buildings will not have as negative an impact on neighborhoods.ii. Provides disincentive to owner to keep property for extended period due to time and effort necessary to keep property in compliance. <p>b. Disadvantages</p> <ul style="list-style-type: none">i. Owner may elect to demolish building rather than maintain or rehabilitate because of the expense.ii. Extra expense to City to maintain City-owned vacant structures. <p>IV. Clearly utilize all nuisance criteria to initiate proper (Nuisance Abatement Board or court) action.</p> <p>a. Advantages</p> <ul style="list-style-type: none">i. Would expand criteria beyond Housing Code.ii. Would provide direction to Nuisance Abatement Board regarding which properties could be declared nuisances. |
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City Procedure/Policy Revision

- I. Reactivate Nuisance Abatement Board. Neighborhood Services Division is in the process of identifying board members per the Code and will refer cases to the board by February 2003. The board's responsibility is to identify nuisance properties and determines if the owner or city resources are to be used to abate or demolish properties declared a nuisance.

- a. Advantages

- i. Membership to be reviewed and revised.
- ii. Nuisance sections of Code would clarify requirements for declaration.

- b. Disadvantages

- i. Solutions limited to 'clean up/secure' or demolition. Neighborhoods often want properties saved, and often structures are not dilapidated to the point of justifying demolition.

Revisions to State Law (ORC)

(City should advocate for these revisions):

- I. Require deeds by any party that takes material control of the property to be recorded in a timely manner.
(Note: Many vacant property issues would be resolved with this requirement - other states, such as Wisconsin have such a requirement).

- a. Advantages

- i. Requirement would provide evidence of responsible party.

- b. Disadvantages

- i. Financial Institutions likely to oppose legislation.

- II. Require all land contract transactions to be recorded.

- a. Advantages

- i. Requirement would provide evidence of responsible party.

- b. Disadvantages

- i. None known

Recommend And Advocate For Franklin County Policy/Procedure Revisions To:

- I. Initiate and complete tax foreclosures of vacant buildings in more expeditious manner.

- a. Advantages

- i. Vacant buildings may be rehabilitated if acquired earlier (before vandalism and deterioration impacts feasibility of rehabilitation).

Additional Recommendations:

1. Assemble an inter-agency task force. Activities would include:
 - a. Targeting nuisance properties; and
 - b. Aggressively pursuing enforcement of all City Codes to expedite the transfer of nuisance properties.
1. Work with for-profit and non profit entities to:
 - a. Acquire properties,
 - b. Assist in financing, and
 - c. Provide technical assistance to new owners to expedite repair and renovation.

Recommendations To Prevent Blight:

1. Continue improved code enforcement relationship with community groups to ensure community concerns are addressed.
2. Continue/expand the Neighborhood Pride Program to accommodate periodic systematic exterior housing code inspections.
3. Enhance the data collection capabilities of code enforcement to better track the types of violations issued, to correlate code violation with criminal activity at a particular

property, compliance time after orders are issued, individual performance of code enforcement officers and violation types by geographic areas of the city.

Some of these recommendations will take action by the State legislature, others by the City, while others can be implemented quicker if resources are available. Difficulty in implementing one recommendation should not postpone or impede the implementation of others.

QUALITY NEIGHBORHOODS WORKING GROUP

Mark Barbash	Department of Development, Director
Roxyanne Burrus	Neighborhood Services Division, Administrator
John M. Cullison	South Merion Public Safety Committee
Linda Donnelly	Housing Division, Administrator
Mike Farrenkopf**	Neighborhood Services - Code Enforcement
Jenny Gams	Office of the City Attorney
Steve Gladman	Columbus Apartment Association, Executive Director
Gary L. Holland	Public Service Department, Deputy Director
Donna Hunter	Office of Land Management Division, Administrator
Richard Manual	South Merion Public Safety Committee
Curtis Marcum	Columbus Police Department, Commander
Patrick McClean**	Greater Hilltop Area Commission
Rev. Dr. Lee Anne Reat	The BREAD Organization, Vice-President
Michael Sexton	Office of Mayor Michael B. Coleman
Patsy Thomas	Office of the City Attorney
Rick Tilton	Neighborhood Services Division, Neighborhood Pride

** Co-Chairpersons

E-mail

From Donna Hunter
To Mike Farrenkopf
Date 10/29/02

Here are some initiatives that the CNDC (Cleveland Neighborhood Development Corp) are supporting at the state level via their state platform which should also be supported by the City of Columbus:

1. State legislative reform to assist court-appointed receivers and other interested parties to gain title to properties with "abandoned" mortgage liens in order to stave off neighborhood deterioration.
2. Amend Section 3767.41 of the Public Nuisance Abatement Statute to allow municipal courts to conduct judicial sales would grant marketable titles free of all liens on properties.

Others:

1. Reform legislation that governs Sheriff Sales to streamline the process which is costly and delays the acquisition of property
2. Reform legislation that requires that foreclosure can only occur if the property is two years certified delinquent for those properties that are designated as vacant, blighted, and abandoned as well as reduction of time lines and extend of notifications.
3. Reform the eminent domain and community urban redevelopment laws in order to simplify and bring into the 21st century.
 - a. Authorize the taking of vacant properties that are unoccupied, uninhabited, and delinquent in taxes
 - b. Taking of properties that are unfit for habitation and rehab costs exceed post rehab market value
 - c. Acquisition of occupied properties in blocks where 70% of the properties are abandoned and there is a plan for the treatment of the whole block
 - d. Required notifications time lines reduced
4. Reform adverse possession law in order to clear title faster
5. Reform 5722 (Land Reutilization Program) to allow cities to acquire properties after they survive one sheriff or auditor's sale
6. Use of bond financing to demolish dangerous buildings throughout the city

Federal recommendation:

1. Try to gain easier access to FHA and VA foreclosures through the \$1.00 program

County recommendations:

1. Determine if the acceptance of filing assessments is a policy (i.e. demolition liens, weeds & mowing, water & storm sewer) can be changed to quarterly instead of once a year. A lot of these assessments do not get on the property prior to sale.
2. Increase the capacity of the County Prosecutor to handle increasing foreclosure requests timely

City recommendations:

1. Continue to support and provide resources to enable the Land Reutilization program to be effective in its mission of acquiring vacant, blighted, and abandoned properties in order to prepare them for productive re-use.
2. Integrate the sources of data collection in order to save duplication of efforts which is essential to "knowing your territory"
3. Use the Pride Centers as the base "team" to collect and correlate information on vacant structures in their areas that can then be evaluated by other interdepartmental experts for a plan of action.
4. Research whether the Nuisance Abatement Board policies to see if it is the appropriate means to review structures for demolition.
5. More research is needed on our part before we can recommend a process for handling vacant structures!

Thanks for the opportunity to make comments!

Donna

COLUMBUS APARTMENT ASSOCIATION

The Voice of the Multi-Housing Industry

Mark Barbash, Director
Columbus Department of Development
50 W. Gay Street, 3rd Floor
Columbus, Ohio 43215

October 30, 2002

Dear Mark,

Very soon, you should be receiving the final version of the proposed recommendations from the Neighborhood of Qualities Workgroup.

One of the proposals is to create a registration requirement for all rental property. At the last meeting the proposal was expanded to include a required inspection of all rental property.

The Columbus Apartment Association strongly opposes registration and inspection because both are unnecessary and will needlessly consume limited city resources.

The Columbus Apartment Association is opposed to registration. A registration program supposes that owners of rental property are unable to be identified or contacted if a property they own has a housing code issue. This assumption is incorrect, the Regulations Division staff and the Environmental Court have both said that identifying the owners of occupied rental property is not an issue. This issue that is most often identified is the difficulty in identifying the owner or responsible person of vacant properties. These vacant properties are often in an estate or a foreclosure, and identifying and acting against the person responsible for these properties is a challenge for the City enforcement officers.

The argument that other types of businesses are licensed or registered, therefore property owners should also be registered is flawed because the significant difference in legal protections afforded by law to renters is ignored by those presenting this argument. The Ohio Revised Code contains Chapters that delineate the responsibilities of property owners and provide remedies to those who are injured should those laws not be followed. Additionally, the City has an entire housing code that specifies how a property must be maintained and provides for an enforcement mechanism that allows for any renter to ask the City to intervene and investigate if the renter thinks a violation exists. Ohio law provides protection to a renter who files a complaint by placing strong penalties for any action that is retaliatory on the part of the property owner.

Registration adds an administrative burden to both the City and the property owner but does not address the issue of how to hold accountable those folks who own vacant properties, accountability for occupied properties is not an issue, and an adequate enforcement mechanism exists to insure compliance for those rental properties.

It is still unclear to me what these proposals attempt to solve. Two major supporters are BREAD and Merion Village Safety Committee.



BREAD is advocating for an inspection requirement because they are concerned about the safety of residents. Empirical data supports that single family structures have the greatest fire risk and sustain the highest loss of life and injury. But BREAD does not advocate these units be inspected. No data supports the BREAD position that rental property is unsafe. Existing City Code and the City enforcement process already insure the safety of rental housing.

The Merion Village Safety Committee begins with a flawed promise, that the problem is owners can not be found and held accountable to correct housing code violation. This premise is wrong. The regulations staff demonstrated that the problem is primarily with vacant buildings. This position has been affirmed by the Environmental Court. BREAD and Merion Village representatives claim that occupied structures are a problem but don't clearly define what that problem is, other than not liking who rents the property.

Merion Village representatives cited CMHA subsidized properties as the biggest problem in the neighborhood. These properties are all registered with CMHA and are required to be inspected annually. These properties already comply with registration and inspection requirements but still are a problem to the community. So what do registration and inspection solve?

What would be the cost to the city to inspect every rental property? Based on 2000 census data there are 153,328 rental units in Columbus. BREAD believes that an inspection should take thirty minutes, I think an hour is more likely, but let's use their estimate of thirty minutes. To inspect all the rental units would require 76,664 man hours, or 36.85 people working full time for one year to complete the inspections. Merion Village representatives stated that after the first round of inspections then the inspection process would be manageable. I'm not sure what manageable means, but the fact that the same number of units exist and the inspections will take the same amount of time results in the same expenditure of manpower every time you inspect. Having been inspected previously does not make subsequent inspection less of a drain on resources.

Does the City want to commit 37 City employees to discover that the vast majority of rental property is in good condition? Is there really a problem with occupied rental structures that the City does not already have the tools to address? Is there any empirical data to support claims to the contrary? Public policy needs to be based on fact not the emotional response to a few. If the rental housing condition in the city was as bad as some portray wouldn't there be more complaints from those citizens who rent? There is no uproar about this issue from renters; the complaints about rental property are from single family home owners. The Neighborhoods of Quality had no renters on the work group. The unstated objection is more about who rents property than the condition of the rental property.

I hope the City rejects this recommendation; it lacks merit and is unneeded.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve", with a stylized flourish at the end.

Steven D. Gladman
Executive Director



B.R.E.A.D. Organization

September 23, 2002

Mike Farrenkopf
Code Enforcement
757 Carolyn Avenue
Columbus, OH 43224

Dear Mike:

I apologize for missing the last meeting of the Quality Neighborhoods Working Group, but I was called upon to conduct a funeral at the same time. I have reviewed the proposal discussed at the meeting.

The proposal has a number of very worthwhile elements. Certainly, the expeditious transfer of properties is key to solving the problem of boarded up/abandoned houses. However, that seems to be something the city will be unable to address until state law is changed and does not address the problem of occupied housing which is unsafe.

As an immediate and necessary additional step, BREAD's position continues to be that landlord registration is essential to safe, affordable housing in Columbus. Our position and outline for landlord registration legislation is set forth in the attached "Outline of Landlord Registration Ordinance" paper.

I will bring copies of this document to the October 15 meeting for discussion by the group. If you feel that they need the paper prior to that meeting, I will be happy to send it to them.

Thank you and I look forward to seeing you at our next meeting.

Sincerely,

The Rev. Dr. Lee Anne Reat
Vice-President, BREAD



B.R.E.A.D. Organization

Outline the Landlord Registration Ordinance

July 8, 2002

Registration: City of Columbus will require that all landlords (with four or more rental units) register within the City of Columbus. Landlords who do not live in Franklin or contiguous counties will be required to identify a local agent who has an active office in Franklin County. Landlords or their agents will not be able to register using a P.O. Box. This agent must be authorized to receive legal notice regarding code violations, occupancy issues, etc.

Purpose:

- To ensure that landlords of rental properties that have code and health violations can be efficiently provided with legal notice and held accountable.
- To provide a searchable database which is accessible to the public to enable citizens and public officials to effectively gather information on problem properties and locate responsible parties.

Timeframe:

All landlords would be required to register with the City of Columbus within 90 days of the passage of the ordinance. Every time that there was a change of ownership, the new owner should be required to register with the City within 60 days of the transfer of title.

Landlords will be required to renew their registration annually.

Required Information at the Registration:

- Name, address, phone number of owner
- Name, address, phone number of local agent (if required).
- Number of rental units within the building.
- If the owner is a partnership or corporation, the registration should identify all parties who hold at least a 10% stake in the partnership or corporation.
- The registration should include the purchase price of the building and the date of purchase.
- Any mortgage (or other liens) should be listed on the property.
- Other rental properties owned by the same individual, partnership or corporation.

Fees

Landlords will pay an annual fee equal to \$10 per building to register with the City.

Outline of Landlord Registration

Penalties

Landlords who fail to register with the City within the specified timeframe will be fined \$300 a day. Each day that the registration is lapsed may be considered a separate occurrence. Fines collected from the this ordinance will be contributed to the Affordable Housing Trust Fund.

Database:

The City will maintain a searchable database of all registered landlords and their properties which shall be publicly accessible. The database will be searchable by address and owner so that code enforcement, neighborhood groups and community organizations can use the database to identify the owners of problem properties and identify the network of properties owned by different individuals.

South Merion Public Safety Committee



P.O. Box 6502 ♦ Columbus, Ohio 43206

Phone (614) 449-0022

Position on Regulation of Rental Properties

We believe that certain changes must be made to the city's building or occupancy codes to improve the quality and safety of rental housing in Columbus, as well as help to reduce criminal activities which seem to thrive in our community because of negligent, irresponsible landlords. In order to be effective, we think that any changes must include the following elements in order to be successful:

Registration of owners: The city must know who these people are and how to access them at any time. If they have manager or other person legally responsible for the upkeep of the property, we must have the same current information on them. Failure to provide current information should be a violation. If a property is under the control of a "land contract" buyer, then that person needs to be registered *in addition to the legal owner*. If a property is in an estate, foreclosure, or some other legal limbo, a "Master" must be appointed to oversee the property and must be registered and accessible. Failure to register or failure to keep the city current on address and phone numbers should be a violation with fines attached. *Exemptions* should be allowed for owners of properties who actually live there and manage them.

Inspection of properties: Every rental property in the city where the owner does not live on the premises should be inspected and brought up to code. A "Certificate of Occupancy" should be posted in each unit that is inspected, giving the date of inspection and the items inspected. The name, address and phone number of the owner or person responsible for each property should be printed on the "Certificate of Occupancy". Inspections should take place routinely on a bi-yearly basis. Properties not in compliance could be given up to 90 days to meet code unless a safety hazard exists...in which cast it would be vacated until it meets code.

We think a simple, ten point inspection process dealing with health, safety and structural issues would be sufficient to achieve the necessary results. We think inspections should start *at least* one year following registration, thus giving property owners time to get their properties in order. We suggest they be given a list of the ten inspections points, as well as other items they should consider doing over and above the "minimum". We think inspections should start by zip code, with the worse zip codes being inspected first.

South Merion Public Safety Committee



P.O. Box 6502
Columbus, Ohio 43206
Phone (614) 449-0022

October 21, 2002

Mr. Mike Farrenkopf
Department of Development
757 Carolyn Avenue
Columbus, Ohio 43224-3218

Dear Mr. Farrenkopf:

Per your request, we wish to provide the following information to be included in the proposals being presented to the Mayor and Council for their consideration.

Under your category for "*City Code Revisions*", we ask that item "I" have the word "buildings" replaced with the words "rental housing units", and that the following items be added under "Advantages": v. Since a registration fee will be charged, revenue will be realized. And, if people fail to register or comply, late fees and/or fines will also apply; vi. Failure to comply will result in non-complying rental units being "red-tagged" and taken out of service. A re-open fee might be charged; vii. Registration also includes "right of access" for inspectors; ix. Would require property owners provide proof of insurance annually to help assure safety with inspections by insurance companies.

Also, under above category, South Merion Public Safety Committee calls for "Occupancy Permits" for rental properties in which the owner does not occupy one of the units in the building. *This is a secondary feature of the registrations process.* The permit will be issued and posted in the building after an inspection of basic health and safety items. The permit will indicate the name of the owner or his legal agent and where and how they may be contacted. Such information must be current.

Under "Strengthen Requirements for Securing Vacant Properties," we have favor demolition of properties considered beyond the point of rehabilitation by presenting a health or safety hazard (including properties being utilized by drug dealers and users).

We support all issues related to "State Law Revisions", as well as "County Law & Policy/Procedure Changes".